

Ambassador Jeffrey L. Bleich – Energy Networks Association

Remarks of Ambassador Bleich Energy Networks Association (ENA) Annual Review Dinner at the Boat House by the Lake, Canberra

(As prepared for delivery – December 1, 2010)

Thank you for having me here tonight. I realize I am standing between you and your dinner, so I'll try to be brief.

Cancun Meeting

As I'm sure many of you are aware, global climate negotiations are underway this week in Cancun, Mexico. Given the importance of the power sector to any eventual solution to the problem of climate change, I want to say a few words tonight about where we stand on the issue.

Expectations for this meeting are much lower than a year ago in Copenhagen – nobody expects Cancun to produce an agreement that puts a global price on carbon. The slow pace of these negotiations is frustrating for many people. It is difficult to be patient with the inability of world leaders to find agreement on one of the most serious global challenges of our time.

But the notion that it's hard to reach agreement among over 190 nations should not be surprising – climate change is a complex problem that not only challenges every country, but often challenges them in very different ways depending on a country's circumstances. Nevertheless, ever since the Copenhagen talks last year, there has been a tremendous amount of anxiety and misinformation about U.S. efforts on the climate front, and what could be accomplished.

So let me be very clear about how the United States views climate change and its own responsibility to lead on climate change. Put plainly, there is absolutely no slippage in our commitment to build cleaner, more sustainable energy systems than we have now. Climate change is real. Human activities are a factor, and they must be addressed. We are acting as aggressively and immediately as our politics will permit and we will continue to work in concert with other nations. This is true not merely because of the risks associated with climate change but also because for decades we've known that our economy and security depend upon developing cleaner, sustainable energy.



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U.S. Action on Climate

So the President has made clear that the United States is standing behind the pledge that we made last year in Copenhagen. No change in that. We will reduce carbon emissions by 17% by 2020, and 83% b 2050.

We're obviously disappointed in not getting the Kerry Lieberman energy and climate legislation passed through the Senate that would have created a carbon market, but we have taken significant steps to address the emissions problem in other ways.

First, we have invested \$100 billion in advancing energy technology. To give you some basis for comparison, our typical investment in R&D in cleantech is \$3-5 billion. This is already supporting major projects like the Ivanpah solar energy plant in the Mojave Desert, and another 1000 megawatt California solar plant that will be going on-line in 2012.

The U.S. Environmental Protection Agency (EPA) has put in place our most aggressive vehicle standards ever. In the U.S., vehicles represent about 35 percent of emissions. The first set of rules take mileage standards up to over 35 miles per gallon, and after that EPA is looking at a range of possibilities that would go between 47 and 62 miles a gallon, and are also extending those rules to heavy vehicles.

In January 2011, industries that are large emitters of greenhouse gasses, and are planning to build new facilities or make major modifications to existing ones, will have to take actions to minimize their greenhouse gas emissions. This includes the nation's largest greenhouse gas emitters, such as power plants, refineries and cement production facilities.

President Obama has committed the Federal government to lead by example and help build a clean energy economy through government operations. Federal agencies are now required to collectively reduce emissions 28 percent by 2020; increase energy efficiency; and reduce vehicle petroleum consumption.

We also continue to develop more stringent efficiency standards for appliances like refrigerators and microwaves, helping individuals reduce their climate impacts at home. So the United States is actually doing a lot.

Where I think we can do more, however, and this is where you all come in, is in empowering individuals to make changes in their own lives that bring us all closer to our goal of a sustainable energy future.

Can't Wait for Government



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I think one of the problems with public policy debate is that we wait for others to change us rather than changing ourselves. I'll broaden that a bit – I think one of the problems many of us have even in our own lives is that we wait for others to change us rather than changing ourselves. Rather than going out for a run, we hope scientists will come up with a pill to help us manage our weight. Getting people to put away their chips, get off the couch, and get out for some exercise sounds impossible, but we've done it before.

I don't know if you have seen the show, Mad Men, about an advertising firm in the sixties, but there is a scene in one episode where a man takes his family on a picnic. All goes much as it would today, until the family stands up to leave and the wife shakes out her blanket, dumping paper cups, plates, and napkins onto the ground before she turns away to her car. Littering was once commonplace, but dumping the detritus from your picnic out on the ground like that today is unthinkable. How many of you still smoke in your offices? Go out for a two-martini lunch, and then pick the kids up from school? The point is behavior change is possible – we can change.

The same is true of the energy policy debate today. We all sit on the sidelines waiting for world governments to come up with an agreement that is going to set a price on carbon. And while it's true that we no longer depend on whale oil to light our homes or oxen to till our fields, everyone seems to be waiting for the next great energy source to come along and solve our problems with minimum disruption to our own routines. Nuclear power will be ubiquitous when we solve the waste problem. Wind will be great once we can store it until it's needed. Solar would be perfect if we could get the cost down to parity with gas or coal. Cold fusion is just around the corner, and so on and so on. New energy sources are important, but not as much as how we use the energy we currently produce.

Just as most of us know we should be getting more exercise than we do, we all know that there are significant gains to be had from improving energy efficiency, which in most cases means taking a few simple steps to cut our power usage. I know there are any number of reasons why the low hanging fruit of energy efficiency hasn't been plucked – agency issues, long return times for investment, uncertainty about the effectiveness of solutions – but the technology exists to do much better than we have to date.

I understand that uncertainty about the future can paralyze business decisions, but I believe we must have the courage and the will to move forward. It is a challenge for governments to create incentives for people and businesses to change behavior. Because the change we need - when we talk about energy security and addressing climate change – is, at its most fundamental level, behavior change. It is about having the will to do what we know needs to be done and the courage to be one of the first to do so.



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In the U.S., as a result of funding from the Recovery Act, smart grid technologies are speeding the modernization of the nation's electrical grid, enabling consumers to monitor their energy consumption and costs. These technologies will give consumers choice and promote energy savings, increase energy efficiency, and foster the growth of renewable energy resources. We are giving consumers the ability to make a change in consumption habits that benefits them and society at large.

As I noted in my speech to the Solar 2010 forum this morning, the U.S. is working – and must work – aggressively to accelerate our transition to a clean energy future. Part of that transition must include not only changing the energy we use but improving how we deliver and use it. Our nation – and every other nation – has overcome equally daunting transitions before; all it takes is will.

But neither the U.S. nor the Australian governments can do this alone. The only way the transition to clean energy will ultimately succeed is if individuals and businesses are fully invested in it as well.